



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 19, 1999

H.R. 717

National Parks Air Tour Management Act of 1999

*As ordered reported by the House Committee on Transportation and Infrastructure
on March 11, 1999*

SUMMARY

H.R. 717 would make clear that the Federal Aviation Administration (FAA) has the authority to regulate aircraft overflights affecting national parks (including tribal lands), and would establish a process for the FAA and the National Park Service (NPS) to coordinate the development and implementation of such regulations. Regulations governing overflights of national parks will likely be imposed under current law. Therefore, CBO estimates that implementing H.R. 717 would cause no significant change in federal spending over the 1999-2004 period. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

H.R. 717 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no significant impact on the budgets of state, local, or tribal governments.

H.R. 717 would impose private-sector mandates, as defined by UMRA, on operators of commercial air tours. The cost of the mandate would not exceed the annual threshold established by UMRA for private-sector mandates (\$100 million in 1996, adjusted for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO estimates that enacting H.R. 717 would not cause any significant change in FAA or NPS spending over the next five years. Based on information from the NPS and the FAA, we estimate that discretionary outlays to conduct planning and rulemaking for park overflights, complete air tour management plans (including environmental analyses), and monitor any overflight limits established in such plans will total about \$29 million over the 1999-2009 period. This process is already under way, and we expect that these costs will be

incurred within the next several years under current law, assuming appropriation of the estimated amounts. CBO estimates that operating the joint advisory group that H.R. 717 would require would cost FAA and NPS a total of about \$25,000 each year from appropriated funds.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 717 contains no intergovernmental mandates as defined in UMRA and would have no significant impact on the budgets of state, local, or tribal governments.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

H.R. 717 would impose new requirements for commercial air tour operations over national parks. CBO estimates that the total direct costs of the mandates would not exceed the annual threshold for private-sector mandates (\$100 million in 1996, adjusted for inflation).

The bill would require operators of commercial air tours to apply for authority from the FAA before conducting tours over national parks or tribal lands within or abutting a national park. CBO expects that the cost of applying to the FAA for such authority would be negligible.

H.R. 717 also would establish a process for the FAA and NPS to develop air tour management plans for every park where an air tour operator flies or seeks authority to fly. Those management plans, which CBO expects to be developed under current law, would affect all commercial air tour operations up to a half-mile outside each national park boundary. The plans could prohibit commercial air tour operations in whole or in part and could establish conditions for operation, such as maximum and minimum altitudes, the maximum number of flights, and time-of-day restrictions. CBO estimates that complying with the air tour management plans would impose no additional costs on the private sector beyond those that are likely to be imposed by FAA regulations under current law.

H.R. 717 would not apply to air tour operations over the Grand Canyon or Alaska. Those operations would be covered by other regulations.

PREVIOUS CBO ESTIMATE

On March 3, 1999, CBO prepared a cost estimate for S. 82, the Air Transportation Improvement Act, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on February 11, 1999. Title VI of S. 82 is similar to H.R. 717, and neither would cause a significant change in federal spending over the next five years.

ESTIMATE PREPARED BY:

Federal Costs: Victoria Heid Hall
Impact on the Private Sector: Jean Wooster

ESTIMATE APPROVED BY:

Robert A. Sunshine
Deputy Assistant Director for Budget Analysis